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shortly they will revert to the control of the people. That equipment belonging to national capitalist firms will be left in their possession.

B. Responsibilities of the Labor Movement in Liberated Areas

In liberated areas, the workers have already achieved victory over imperialism, feudalism, and bureaucratic capitalism, have taken over the reins of government, and are owners of enterprises. In private enterprises the conflict between labor and capital still exists, and workers are still being exploited, but since they are the political and social leaders, they may be protected against oppression and excessive exploitation. Since the existence and development of productive enterprises managed by private capital are of value to the livelihood of the people, and strengthen the economy of the liberated areas as a whole, they are also beneficial to the working classes. As a result of this entirely new concept, the labor movement in the liberated areas should employ a completely new methods and policies.

First, workers must achieve a thorough understanding of the present situation and the above new concept of the liberated areas to participate actively in the reconstruction activities of the new democracy regarding national political power, the armed forces, economy, and culture.

An especially important duty of workers in the liberated areas is to increase industrial production. This increase must be achieved to satisfy the farmers' demands for technical improvements and land reform has been achieved. The possibilities for expansion are unlimited, once the resources and manpower of the liberated areas are linked to the factories and machinery of the cities. Especially important are the general objectives and policies for economic reconstruction laid down by Mao Tse-tung: "Increased production, economic prosperity, equal treatment for private and public interest, and equal benefits for labor and capital."

Since workers have the right to participate in the control of state and public enterprises, they also bear the responsibility for working diligently and exceeding the production goals demanded of them by the nation. This same principle applies to workers in cooperative enterprises. In private enterprises, workers also bear responsibility for fulfilling the capitalist's production plans, honoring labor-capital contracts, and respecting government policies regarding the safeguarding of private enterprises. At the same time, however, workers have the right to demand that capital carry out its obligations according to the principle of equal rights for labor and capital and to enforce capital's observance of governmental regulations.

At present, to ensure a healthy industrial development, all aspects of a planned economy will have a local and departmental nature suitable to war needs. In the future, economic planning will gradually assume a national and over-all nature according to precedents gained through experience and innovation. The present unregulated situation caused by shortcomings in planning and leadership must be eliminated before all public enterprise can improve production under conditions of unified leadership and planning. Once that is done, private and public enterprises may be brought under planned leadership and coordination.

To ensure democratic control, each firm or factory must establish a control committee to deal with the various aspects of the economic estimates system governing production and marketing processes. This committee should consist of the manager or factory head, engineers, and other responsible persons dealing with production, and representatives elected from the labor unions (corresponding to the number on other committees), with the manager or factory head as chairman. The chairman shall have the right to veto any measures passed by the committee which he considers inimical to the interests of the firm or factory and will make a report to his superiors requesting a

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They may also appeal to this authority. In an emergency, the union may take action without waiting for a committee meeting, but it must report to the committee later and receive its concurrence. In large factories, the 100-1500 workers should be divided into departments and each department may elect a committee of delegates to represent and discuss factory conditions and report to the committee and criticisms of the workers.

The same democratic system of control should be instituted in private firms and factories and should be constituted with the consent of the capitalist owners. In case of disagreement with the factory committee, the workers' delegates may appeal to government organs or the labor union for mediation.

At present, there is a critical shortage of technical and administrative personnel. This situation should be remedied wherever possible by promoting workers from the ranks and by establishing workers' schools. In newly liberated areas old cadres, except for disloyal elements, should be used to the utmost. They should be organized and helped to change their old attitudes and control methods, especially their attitudes toward workers. All industrial workers voluntarily entering liberated areas should be welcomed and allowed to participate in suitable activities.

In view of the excessive demands made by the war situation, the Congress advocates that factory laborers work 8-10 hours per day. The workday may be extended or shortened under special circumstances if approved by the government, but should not exceed 12 hours. Overtime may not be worked on more than 4 consecutive days and may not exceed a total of 48 hours per month. The number of working hours for farmers, artisans, and shop personnel should be based on the usual practice.

C. Wage Structure

The minimum wage should be that amount sufficient to support two persons, including the worker himself. There should be a wage system based on grade and on time periods, as well as one based on piecework rates. Because of wage and price fluctuations induced by war conditions, this Congress recommends the following wage principles:

The awarding of wages should follow a grade system based on occupation, experience, age, and training with wage differentiations within each grade. Grade wages and within-grade increments should be linked in a regular progression. Wage scales should be uniformly fixed by local governments in the liberated areas, with the consent of the labor unions, for firms engaged in the same line of work. Uniform wage scales for firms not of the same type should not be permitted. Actual wages for individual workers should be fixed by discussion within each factory on the basis of government orders (a wage discussion could be organized under the direction of the control committee). Apprentices should be excluded from this wage system, and not allowed to take part in wage discussions. After the graded system is put into effect, workers with special abilities should be given special wage consideration, with the approval of the control organ. The uniform flat-wage scale and other errors which tend to destroy the workers' enthusiasm and initiative would then be corrected.

The method of determining wage payments, whether by units of time or on a piecework basis, should be determined according to actual labor conditions. The piecework system tends to stimulate production and should be encouraged, but care must be taken to see that there is no accompanying poor workmanship or waste of raw materials.

When price fluctuations necessitate wage adjustments, a system of subsidies based on the cost of living should be adopted, varying with the grades; but the differentiation between the subsidies for the respective

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grades should not be as great as that between the basic wage for each grade. Wages should be paid partly in cash, and partly in kind in the form of daily necessities. To guarantee receipt of the proper equivalent of wage compensation, a new ration system should be adopted in state and public enterprises, which should be put into general use after a suitable test period.

In addition to wages, state and public factories should also institute a system of bonuses under government regulation or approval. Distribution of profits and similar practices in commercial shops and private firms should be continued and extended to all workers.

D. Labor Regulation

1. The Congress recommends the following regulations governing female, young and child laborers and apprentices:

a. Pregnant workers should be allowed a total of 45 days vacation with pay before and after childbirth. Female workers should also be allowed 15 days with pay for miscarriages within 3 months of pregnancy and 30 days if miscarriage occurs after 3 months.

b. Local governments should prescribe laws setting limits to night work by female and young workers and to work injurious to their health. Children under 14 years of age should not be employed.

c. Periods of apprenticeship should not extend over 3 years.

2. The congress recommends that the following measures be taken in regard to labor safeguards and workers' welfare, pending an end to the war and other obstacles to the establishment of a national system of social security:

a. The government should inspect each factory's health and safety equipment at regular intervals.

b. Compensation and pensions for injuries and sickness should be put into effect by factory managers, or by the managers in conjunction with the labor union, according to government order or approval. In cities, where factories are concentrated, or in places where safety preparations cannot be made adequate, social security benefits for workers may be provided.

c. Welfare activities should be carried out by factory management and the labor unions, together or separately.

d. In firms other than factories, labor safeguards and welfare should be handled by the labor unions in accordance with custom and with the aid of the firm owner.

e. Unemployment relief measures, the chief of which is aid in gaining employment, should be handled by the government.

Labor competition and labor hero movements should be actively promoted in state and public enterprises, and also in private firms which have control committees and assemblies of workers' delegates.

3. Labor contracts and labor disputes should be handled as follows:

a. Workers should have contracts, preferably collective contracts, to facilitate the agreement being carried out by both sides. Collective contracts should include provisions for working conditions, workers' obligations, employment and discharging, rewards and punishments, labor safeguards, worker welfare, important points of factory regulations, etc.

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b. Labor disputes should be settled through consultation, conciliation and mediation in that order. If mediation fails, the case may be brought before the courts.

c. Local governments in liberated areas should issue regulations bearing on collective contracts and labor disputes, and should establish units to deal with labor questions.

4. Labor unions in state, public and joint enterprises should strengthen their control activities. In private enterprises, they should perform a supervisory function. High-level labor organs should aid the government in passing labor legislation and safeguard its equitable execution.

5. All male and female workers classified as such by law have the right to belong to a labor union, but entrance into unions shall be on a voluntary basis only. Labor unions should perform their functions on the behalf of not only union members, but of nonunion workers as well, so that they may actually represent all the workers.

E. Restoration of the All-China General Labor Union.

To further labor's role in the revolution, the Congress has decided to restore the All-China General Labor Union of the first revolutionary period. The Congress has also instructed the new Standing Committee to continue the former General Union's revolutionary traditions.

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